

31 July 1957

COMMENTS OF CONTROLLER ON PROPOSAL TO PROVIDE RELIEF  
FOR EMPLOYEES AND DEPENDENTS STATIONED AT HARDSHIP POSTS

The purpose of these comments is not to question the authority or power of the Director to grant rest and rehabilitation to personnel and their dependents at Agency expense, because the provisions of CIA Act of 1949 give the Director broad powers relative to the expenditure of funds.

The question raised is a question of policy as to whether it is wise, appropriate, and essential to grant extra benefits to CIA personnel over and above the normal allowances and benefits given to other U.S. Government employees located in the same area. It would only be a matter of time before it would become generally known among the U.S. community in each place that such rest and rehabilitation was being given at Government expense. It wouldn't be long before rumors or questions would reach members of Congress. In fact, at a recent meeting with Congressman James C. Davis, Chairman, Subcommittee on Manpower Utilization and Departmental Personnel Management of the Committee on Post Office and Civil Service, and H. R. Cross, member of the same committee, a number of questions were asked relative to rates of pay, overseas allowances, and benefits given to CIA employees. They were assured that CIA employees received no greater allowances and benefits than those enjoyed by members of the Foreign Service of State.

It may be of interest to note that State on more than one occasion has complained of this Agency's practice of obtaining and furnishing quarters to employees thereby competing and outbidding State for available quarters. A great number of the quarters furnished are in excess of the normal quarters allowance allowed individuals stationed overseas. It is a possibility that this action on the part of CIA may bring questions from Congressional Committees at some future date. At a recent appropriation hearing, one of the members of the committee stated that other members of Congress had told him that CIA was a wild-spending outfit and that, if the facts were known, it would be a national scandal.

In the event that the proposal is approved, the approval should be specific as to what expenses will be allowed. The proposed memorandum to DD/P speaks of an "Agency-paid round trip travel for employees and dependents." Does this mean only transportation costs, or does it include other costs, such as per diem, etc.? What limitations will be placed on the length of time for rest and rehabilitation? Will annual leave be charged, or will official leave be granted? A program of this nature should be spelled out in every detail and careful records maintained containing all facts and figures in case the Agency is called upon to explain the program.

The proposal covers a subject which should receive careful study and be considered from all angles. The cost of such a program is an important factor, since the President has requested all agencies to keep their 1958 and 1959 budget programs at or below the 1957 level.

Frankly, I don't believe that the Agency should activate such a program of rest and rehabilitation without first touching base with the Bureau of the Budget and certain committees of the Congress.